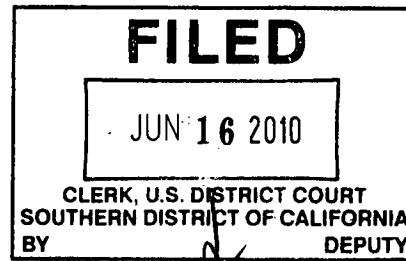


Richard M Kipperman
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Receiver



ORIGINAL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,
Plaintiff in Interpleader,
vs.
BETTYE JAN BAKER ADAIR, et al.,
Defendants in Interpleader

CIVIL NO. 09cv0254 JM (AJB)
NOTICE OF AND MOTION FOR ORDER
RE:
1. APPROVING AND ADOPTING
RECEIVER'S INTERIM VERIFIED
REPORT FEBRUARY 1, 2010 THROUGH
MARCH 31, 2010;
2. APPROVING AND ADOPTING
RECEIVER'S RECOMMENDATIONS RE
CLERK OF COURT DISBURSEMENTS
TO IDENTIFIED INDIVIDUALS, AND
TURN OVER OF BALANCE OF FUNDS
TO CANADA CLASS ACTION MATTER;
3. APPROVING, AND ALLOWING
RECEIVER'S FEES AND
COSTS/EXPENSES; AND,
4. DISCHARGING RECEIVER.

Date: July 23, 2010
Time: 1:30 p.m.
Courtroom: 16
Judge: Hon. Jeffrey T. Miller

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

Please take notice that on July 23, 2010, at 1:30 p.m. in Courtroom 16 of the

1
Notice Of And Motion For Order Re: (1) Approving and Adopting Receiver's Interim Verified Report February 1, 2010 through March 31, 2010; (2) Approving and Adopting Receiver's Recommendations Re Clerk of Court Disbursements to Identified Individuals, and Turn Over Of Balance of Funds to Canada Class Action Matter; (3) Approving and Allowing Receiver's Fees and Costs/Expenses; and, (4) Discharging Receiver.

Civil No. 09cv0254 JM (AJB)

1 above captioned Court located at 940 Front Street, San Diego, CA 92101 the Receiver,
 2 Richard M Kipperman, will move for an Order (1) Approving and Adopting Receiver's
 3 Interim Verified Report February 1, 2010 through March 31, 2010; (2) Approving and
 4 Adopting Receiver's Recommendations Re Clerk of Court Disbursements to Identified
 5 Individuals, and turn over of balance of funds to the Canada Class Action matter; (3)
 6 Approving and Allowing Receiver's Fees and Costs/Expenses; and, (4) Discharging
 7 Receiver.

8 Please also take notice that the Receiver's motion herein is a dispositive motion.
 9 It is the Court's policy to schedule oral argument for dispositive motions. The Receiver
 10 has not requested oral argument. You may wish to request oral argument. If you
 11 require oral argument on the motion, please immediately contact the Court and request
 12 such oral argument per local court rules and per Judge Miller's standing rules for civil
 13 matters. Please also immediately advise the Receiver of your request for oral argument
 14 request.

15 This Motion will be based on this Notice, the Memorandum of Points and
 16 Authorities in support of the Motion, and the declaration of Richard M Kipperman in
 17 support of the Motion submitted herewith, the Receiver's Interim Verified Report
 18 February 1, 2010 Through March 21, 2010 which includes an Interim Report on
 19 Receiver's Fees and Costs February 1, 2010 through March 31, 2010, all papers and
 20 pleadings on file in this action, and such other evidence as may be presented at or
 21 before the hearing of the motion.

22 Whereas the Receiver, has performed his duties pursuant to the September 30,
 23 2009 order appointing him to:

24 "...examine all the answers and conduct the necessary discovery in the case to
 25 make a plan of recommended distribution of the Interpleaded Funds in
 accordance with the following:

26 (1) All Defendants-in-Interpleader with directly traceable funds shall be
 27 compensated from the Interpleaded Funds, including a pro rata share of
 28 accrued interest;

(2) Excluded from presently participating in the receipt of Interpleaded Funds are Objectors and all other alleged wrongdoer defendants in the Canadian Action; and

(3) The balance of the Interpleaded Funds, after compensating innocent directly traceable fraud victims and the payment of administrative expenses, shall be paid to the registry of the Canadian Court for distribution in that action."

Whereas the Receiver has developed a plan of recommended distribution of the Interpleaded Funds as detailed in the Declaration of Richard M Kipperman submitted herewith in support of this motion, and as detailed in the Receiver's Interim Verified Report February 1, 2010 Through March 21, 2010 which is attached to such Declaration of Richard M Kipperman as Exhibit 1 to the Declaration.

The Receiver hereby moves this Court for the issuance of an order:

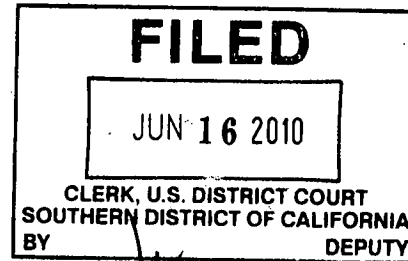
1. Approving and adopting the Receiver's Interim Verified Report February 1, 2010 through March 31, 2010;
2. Approving and adopting the Receiver's recommendations regarding the Clerk of the Court's disbursements to identified Defendants-In-Interpleader;
3. Approving and allowing the Receiver's fees and costs/expenses, and directing the Clerk of the Court to pay such approved and allowed fees and costs/expenses from the Interpleaded Funds;
4. Approving and adopting the Receiver's recommendation that after the disbursements to the identified Defendants-In-Interpleader and after the payment of the allowed fees and costs/expenses of the Receiver, the balances of the Interpleaded Funds be disbursed by the Clerk of the Court to the registry of the Canadian Court in the Canadian Action;
5. Discharging the Receiver.

Dated: 16 June 10


Richard M Kipperman, Receiver

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Receiver



ORIGINAL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff in Interpleader,

vs.

BETTYE JAN BAKER ADAIR, et al.,

Defendants in Interpleader

CIVIL NO. 09cv0254 JM (AJB)

MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT OF
MOTION:

1. APPROVING AND ADOPTING
RECEIVER'S INTERIM VERIFIED
REPORT FEBRUARY 1, 2010 THROUGH
MARCH 31, 2010;

2. APPROVING AND ADOPTING
RECEIVER'S RECOMMENDATIONS RE
CLERK OF COURT DISBURSEMENTS
TO IDENTIFIED INDIVIDUALS, AND
TURN OVER OF BALANCE OF FUNDS
TO CANADA CLASS ACTION MATTER;

3. APPROVING, AND ALLOWING
RECEIVER'S FEES AND
COSTS/EXPENSES; AND,

4. DISCHARGING RECEIVER.

Date: July 23, 2010

Time: 1:30 p.m.

Courtroom: 16

Judge: Hon. Jeffrey T. Miller

The Receiver, Richard M Kipperman, submits this Memorandum of Points and
Authorities in support of his motion for an Order (1) Approving and Adopting Receiver's

Memorandum of Points and Authorities in Support of Motion Re: (1) Approving and Adopting Receiver's Interim Verified
Report February 1, 2010 through March 31, 2010; (2) Approving and Adopting Receiver's Recommendations Re Clerk of
Court Disbursements to Identified Individuals, and Turn Over Of Balance of Funds to Canada Class Action Matter; (3)
Approving and Allowing Receiver's Fees and Costs/Expenses; and, (4) Discharging Receiver.

09cv0254 JM (AJB)

1 Interim Verified Report February 1, 2010 through March 31, 2010; (2) Approving and
 2 Adopting Receiver's Recommendations Re Clerk of Court Disbursements to Identified
 3 Individuals, and turn over of balance of funds to the Canada Class Action matter; (3)
 4 Approving and Allowing Receiver's Fees and Costs/Expenses; and, (4) Discharging
 5 Receiver.

6 On February 11, 2009 the United States of America filed a Complaint in
 7 Interpleader action against individuals residing in the United States and Canada who
 8 did business with or invested funds with or through Cameron Campbell, Garth Bailey,
 9 and HMS Financial, Inc. (the "Defendants-in-Interpleader").

10 From approximately 2001 to 2004 HMS Financial, Inc. ("HMS") offered a
 11 purportedly high-yield investment program to investors. Investors were directed to
 12 make their checks payable to a Canadian lawyer, Garth Bailey or his professional
 13 corporation. Checks representing investments made by investors throughout the United
 14 States and Canada were deposited at First National Bank in La Jolla, California. Mr.
 15 Bailey later admitted under penalty of perjury that the HMS high-yield investment
 16 program was an illegal Ponzi scheme.

17 Funds deposited with First National Bank, and funds representing proceeds from
 18 checks processed by Integrated Payment Systems for First National Bank were seized
 19 and deposited into accounts held by the United States Marshals Service.

20 Contemporaneously with the filing of the Complaint in Interpleader, the seized funds
 21 along with accrued interest thereon were deposited with the Clerk of the District Court.

22 Given the competing claims for the seized funds, the United States could not
 23 determine which of the Defendants-In-Interpleader were entitled to the funds and the
 24 United States filed the February 11, 2009 Complaint in Interpleader seeking a Court
 25 determination and order setting forth the proper recipients of the funds.

26 By Order dated September 30, 2009, the Court appointed Richard M Kipperman
 27 Receiver herein and directing the Receiver to:

1 "...examine all the answers and conduct the necessary discovery in the case to
2 make a plan of recommended distribution of the Interpleaded Funds in
accordance with the following:

3 (1) All Defendants-in-Interpleader with directly traceable funds shall be
4 compensated from the Interpleaded Funds, including a pro rata share of
accrued interest;

5 (2) Excluded from presently participating in the receipt of Interpleaded
6 Funds are Objectors and all other alleged wrongdoer defendants in the
Canadian Action; and

7 (3) The balance of the Interpleaded Funds, after compensating innocent
8 directly traceable fraud victims and the payment of administrative
9 expenses, shall be paid to the registry of the Canadian Court for
distribution in that action."

10 The Receiver concluded his duties and on May 18, 2010 the Receiver's Interim
11 Verified Report February 1, 2010 through March 31, 2010 (Exhibit 1 to the Declaration
12 of Richard M Kipperman submitted herewith) recommending a plan of distribution of the
13 Interpleaded Funds was filed with the Court.

14 In light of the conclusion of his duties and the May 18, 2010 filing of his
15 Receiver's Report, the Receiver has no further duties to perform. Accordingly, (1) the
16 Receiver's Interim Verified Report February 1, 2010 through March 31, 2010 should be
17 approved and adopted; (2) the Receivers recommended plan of disbursement to
18 identified Defendants-In-Interpleader as detailed in such report and as detailed in the
19 Declaration of Richard M Kipperman submitted herewith should be approved and
20 adopted; (3) the fees and costs/expenses of the Receiver as detailed in the Declaration
21 of Richard M Kipperman submitted herewith should be approved and allowed and the
22 Clerk of the Court should be directed to make payment thereon from the interpleaded
23 funds; (4) the Receiver should be discharged; and, (5) after the disbursements herein,
24 the balance of interpleaded funds should be turned over to the registry of the Canadian
25 Count in the Canada Class Action matter.

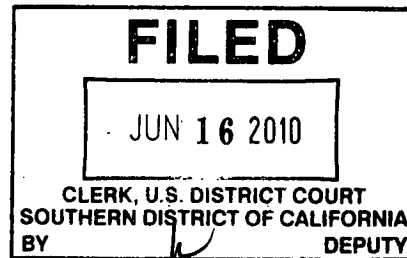
26 For the foregoing reasons, the Receiver's motion should be granted.

27 Dated: 16 June 10

28 
Richard M Kipperman, Receiver

Richard M Kipperman
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Receiver



ORIGINAL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,
Plaintiff in Interpleader,
vs.
BETTYE JAN BAKER ADAIR, et al.,
Defendants in Interpleader

CIVIL NO. 09cv0254 JM (AJB)
DECLARATION OF RICHARD M
KIPPERMAN IN SUPPORT OF MOTION:
1. APPROVING AND ADOPTING
RECEIVER'S INTERIM VERIFIED
REPORT FEBRUARY 1, 2010 THROUGH
MARCH 31, 2010;
2. APPROVING AND ADOPTING
RECEIVER'S RECOMMENDATIONS RE
CLERK OF COURT DISBURSEMENTS
TO IDENTIFIED INDIVIDUALS, AND
TURN OVER OF BALANCE OF FUNDS
TO CANADA CLASS ACTION MATTER;
3. APPROVING, AND ALLOWING
RECEIVER'S FEES AND
COSTS/EXPENSES; AND,
4. DISCHARGING RECEIVER.

Date: July 23, 2010
Time: 1:30 p.m.
Courtroom: 16
Judge: Hon. Jeffrey T. Miller

1
2 I, Richard M Kipperman, declare:

3 1. I am the receiver appointed by the Court in this action. The following facts
4 are within my personal knowledge and if called as a witness I could and would testify
5 competently thereto.

6 2. By Order dated September 30, 2009, I was appointed as receiver to:

7 "...examine all the answers and conduct the necessary discovery in the case to
8 make a plan of recommended distribution of the Interpleaded Funds in
accordance with the following:

9 (1) All Defendants-in-Interpleader with directly traceable funds shall be
10 compensated from the Interpleaded Funds, including a pro rata share of
accrued interest;

11 (2) Excluded from presently participating in the receipt of Interpleaded
12 Funds are Objectors and all other alleged wrongdoer defendants in the
Canadian Action; and

13 (3) The balance of the Interpleaded Funds, after compensating innocent
14 directly traceable fraud victims and the payment of administrative
15 expenses, shall be paid to the registry of the Canadian Court for
distribution in that action."

16 3. In connection with the performance of my duties, the Federal Bureau of
17 Investigation (FBI) provided me copies of First National Bank documents bates stamped
18 04-026-CC-BRIX-0056 to 0207. The FBI also provided me with copies of the answers
19 in Interpleader Civil Case No 09 CV 0254 filed by 98 parties.

20 Additionally, I was provided documents from the following sources:

21 A. Lynn Sedgwick of McLennan Ross, Canada

- 22 ▪ Spreadsheet detailing cashier's checks deposited to the Campbell
Trust Account in California.
- 23 ▪ Copies of bank statements and cashier's checks deposited to the
24 Campbell Trust Account at First National Bank, La Jolla, California.

25 B. Interpleader Responses from Leah R. Bussell, Assistant U.S. Attorney

- 26 ▪ Summary Table of Interpleader responses.
- 27 ▪ Individual responses with attachments (copies of Joint Venture
28 Agreements, cashier's checks, etc.)

C. S/Sgt. D. G. Glydon, Royal Canadian Mounted Police

- List of deposits to Campbell's Trust Account (created by HMS).
- Spreadsheet from Sedwick detailing deposits to Campbell's Trust Account.
- Statement of Commissions for John Willock.
- Client address mailing labels.
- Client address database.

RECOMMENDATIONS RE COURT CLERK DISBURSEMENTS

3. Attached to this declaration as Exhibit "1" and incorporated herein by reference is a copy of my interim report for the period February 1, 2010 through March 31, 2010 entitled "RECEIVER'S INTERIM VERIFIED REPORT FEBRUARY 1, 2010 THROUGH MARCH 31, 2010; INTERIM REPORT ON RECEIVER'S FEES AND COSTS FEBRUARY 1, 2010 THROUGH MARCH 31, 2010; AND, PETITION FOR INSTRUCTIONS" (the March 31, 2010 Report).

4. As reported in the March 31, 2010 Report, claimants were divided into categories (March 31, 2010 Report page 3, line 1 through page 4, line 20) and a plan of recommended distribution of the Interpleaded funds in accordance with the Court's Order dated September 30, 2009 was developed (March 31, 2010 Report page 5, line 21 through page 6, line 7).

5. Pursuant to the plan of recommended distribution of the Interpleaded funds I recommend that the Clerk of the Court be instructed to:

- 1) Issue checks and disburse funds to all Defendants-in-Interpleader with directly traceable funds, including pro rata share of accrued interest.

Attached hereto as Exhibit "2" and incorporated herein by reference, is a list of all such Defendants-in-Interpleader, the recommended amount of the disbursement to such Defendants-in-Interpleader, and the recommended percentage amount of such Defendants-in-Interpleader pro rata share of accrued interest calculated on the total disbursement amount of the disbursements to such Defendants-in-Interpleader. Exhibit "2"

hereto is entitled "Category 1 Disbursement Recipients: All Defendants-in-Interpleader with directly traceable funds".

- 2) Issue a check to me in the amount of my fees and costs incurred in connection with the performance of my duties as detailed herein below.
- 3) Issue a check for the balance of the Interpleaded Funds and accrued interest held by the Clerk of the Court following disbursements 1) and 2) above to the registry of the Canadian Court for distribution by the Canadian Court in the Canadian Action.

6. I am requesting the Court approve and adopt the foregoing recommendations which are also detailed in Exhibit 1.

RECEIVER'S COMPENSATION

7. My staff and I have rendered services for the period September 30, 2009 through May 20, 2010 in the amount of \$17,667.50 which is a reasonable and fair amount for compensation for the services rendered. I have incurred costs/expenses for the period September 30, 2009 through May 20, 2010 in the amount of \$63.43.

Attached hereto as Exhibit "3" and incorporated herein by reference is a detail of my fees for services rendered and a detail of the costs/expenses incurred for the period September 30, 2009 through May 20, 2010.

8. In addition to the fees and costs/expenses for the period September 30, 2009 through May 18, 2010, I will incur additional fees and substantial costs/expenses for services rendered in connection with the bringing of this Motion, the service of this Motion (costs of service currently estimated at \$1,875.00) and the termination of this receivership. I am requesting the Court allow and approve the additional sum of \$4,500.00 for such additional fees and costs/expenses.

9. I previously reported on my fees and costs/expenses for the period September 30, 2009 through January 31, 2010. My fees and costs/expenses reported on in Exhibit 1 hereto are for the period February 1, 2010 through March 31, 2010. I

1 have incurred fees and costs/expenses for the period April 1, 2010 through June 8,
2 2010. All such fees and costs/expenses are detailed in Exhibit 3 hereto.

3 10. The total compensation I am requesting for fees and costs/expenses as
4 detailed in Exhibit 3, and for additional fees and costs/expenses in connection with the
5 bringing of this Motion and the termination of this receivership, is in the amount of
6 \$23,743.43 and is summarized below:

7 **Receivers Fee and Cost/Expense Summary:**

| <u>Period</u> | <u>Fees</u> | <u>Costs</u> | | <u>Period Totals</u> |
|---------------------|-------------|-----------------|--|----------------------|
| | | <u>Expenses</u> | | |
| 09/30/09 – 06/08/10 | \$19,180.00 | \$ 63.43 | | \$ 19,243.43 |
| Motion/Termination | \$ 4,500.00 | Incl in Fees | | \$ 4,500.00 |
| | | Total : | | <u>\$ 23,743.43</u> |

13
14
15 No part of the \$23,743.43 total fees and costs/expenses has been paid. I
16 am requesting the Court allow and approve my fees and costs/expenses in the amount
17 of \$23,743.43, and I am requesting the Court direct the Clerk of the Court to pay such
18 amount from the Interpleaded Funds.

19 I declare under penalty of perjury under the laws of the United States of
20 America, that the foregoing is true and correct and that this declaration was executed on

21 16 June, 2010 at La Mesa, California.

22 
23 Richard M Kipperman

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RECEIVER'S INTERIM VERIFIED REPORT FEBRUARY 1, 2010 THROUGH MARCH 31, 2010; INTERIM REPORT ON RECEIVER'S FEES AND COSTS FEBRUARY 1, 2010 THROUGH MARCH 31, 2010; AND, PETITION FOR INSTRUCTIONS

EXHIBIT 1

Declaration of Richard M Kipperman in Support of Motion Re: (1) Approving and Adopting Receiver's Interim Verified Report February 1, 2010 through March 31, 2010; (2) Approving and Adopting Receiver's Recommendations Re Clerk of Court Disbursements to Identified Individuals, and Turn Over Of Balance of Funds to Canada Class Action Matter; (3) Approving and Allowing Receiver's Fees and Costs/Expenses; and, (4) Discharging Receiver.


1 Richard M Kipperman
 2 P.O. Box 3010
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 4 8324 Allison Avenue
 5 La Mesa, California 91941
 6 Telephone: (619) 668-4500
 7 Facsimile: (619) 668-9014

8 Receiver

FILED

2010 MAY 18 AM 10:16

CLERK US DISTRICT COURT
 SOUTHERN DISTRICT OF CALIFORNIA

RY  DEPUTY

8 UNITED STATES DISTRICT COURT
 9 SOUTHERN DISTRICT OF CALIFORNIA

10 UNITED STATES OF AMERICA, Plaintiff
 11 in Interpleader,

12 Plaintiff,

13 vs.

14 BETTYE JAN BAKER ADAIR, Defendant
 15 in Interpleader, et al.,

16 Defendants.

Civil No. 09cv0254 JM (AJB)

RECEIVER'S INTERIM VERIFIED
 REPORT FEBRUARY 1, 2010 THROUGH
 MARCH 31, 2010; INTERIM REPORT
 ON RECEIVER'S FEES AND COSTS
 FEBRUARY 1, 2010 THROUGH MARCH
 31, 2010; AND, PETITION FOR
 INSTRUCTIONS

20 I, Richard M Kipperman, the duly appointed, qualified and acting Receiver herein
 21 ("Receiver"), make this interim verified report, interim report on Receiver's fees and
 22 costs, and petition for instructions as follows:

23 **REPORT ON ADMINISTRATION**

24 **Appointment of Receiver:**

25 On September 30, 2009 the Court issued its order appointing Richard M
 26 Kipperman ("Receiver") and directing the Receiver, per the Court's Order of June 23,
 27 2009 to:

1 "...examine all of the answers and conduct the necessary discovery in the case
2 to make a plan of recommended distribution of the Interpleaded Funds in
accordance with the following:

3 (1) All Defendants-in-Interpleader with directly traceable funds shall be
4 compensated from the Interpleaded Funds, including a pro rata share of
accrued interest;

5 (2) Excluded from presently participating in the receipt of Interpleaded
6 Funds are Objectors and all other alleged wrongdoer defendants in the
Canadian Action; and

7 (3) The balance of the Interpleaded Funds, after compensating innocent
8 directly traceable fraud victims and the payment of administrative
9 expenses, shall be paid to the registry of the Canadian Court for
distribution in that action."

10 **Interim Administration February 1, 2010 through March 31, 2010:**

11 The Receiver was provided with documents from three sources:

- 12 1. Lynn Sedgwick of McLennan Ross, Canada
- 13 a. Spreadsheet detailing cashier's checks deposited to the Campbell Trust
Account in California.
- 14 b. Copies of bank statements and cashier's checks deposited to the
15 Campbell Trust Account at First National Bank, La Jolla, California.
- 16 2. Interpleader Responses from Leah R. Bussell, Assistant U.S. Attorney
- 17 a. Summary Table of Interpleader responses.
- 18 b. Individual responses with attachments (copies of Joint Venture
Agreements, cashier's checks, etc.)
- 19 3. S/Sgt. D. G. Glydon, Royal Canadian Mounted Police
- 20 a. List of deposits to Campbell's Trust Account (created by HMS).
- 21 b. Spreadsheet from Sedwick detailing deposits to Campbell's Trust
Account.
- 22 c. Statement of Commissions for John Willock.
- 23 d. Client address mailing labels.
- 24 e. Client address database.

25 The Receiver has conducted further research, received additional
26 information, delineated directly traceable claims for funds recovered in San
27 Diego in addition to funds seized and held by Integrated Payment Systems,
28 Inc., and has divided the claimants into the following categories:

Funds Seized at FNB in San Diego (Numbers in parenthesis indicate corresponding column/cell to Exhibit "A" hereto):

1. (2) Claimants with complete packages of verifiable documents. (20 Claimants - \$500,000)

These claimants' funds were seized in San Diego, and they filed an Interpleader Response, provided Joint Venture Agreements, and Cashier's checks.

2. (2) Claimants with Interpleader Responses and Cashier's Checks. (13 Claimants - \$208,700)

These claimants' funds were seized in San Diego, and they filed an Interpleader Response and provided Cashier's checks, but no JV Agreements.

Funds Found in San Diego & Held by Integrated Payment Systems (IPS)

3. (4) Claimants with complete packages of verifiable documents. (5 Claimants, \$80,500)

These claimants' funds were seized from IPS in San Diego, and they filed an Interpleader Response, provided Joint Venture Agreements and Cashier's checks.

4. (4) Claimants with Interpleader Answers and Cashier's checks. (4 Claimants, \$20,000)

These claimants' funds were seized from IPS in San Diego, and they filed an Interpleader Response, and provided Cashier's checks, but no JV Agreements.

Total Funds Seized at FNB in San Diego with No

Interpleader Responses

5. (1) Claimants with Cashier's checks that did not respond to Interpleader. (63 Claimants \$1,470,145)

These claimants' funds were seized in San Diego at FNB, but they did not file an Answer to the Interpleader – Cashier's checks received from First National Bank are the only backup.

6. (2) Claimants funds found in SD, held by IPS, did not respond to Interpleader. (27 Claimants, \$611,200)

1 These claimants' funds were seized from IPS in San Diego, but
2 they did not file an Answer to the Interpleader – Cashier's checks
3 received from First National Bank are the only backup.

4 **Total HMS Investor Claims (from Interpleader Responses)**

5 **7. (5) Claimants with complete packages of verifiable
6 backup, funds not in SD. (9 Claimants, \$115,000)**

7 These claimants submitted an Answer to the Interpleader, JV
8 Agreements, and Cashier's checks. If they are residents of
9 Alberta, they could be part of the class action claim in Alberta
10 Canada.

11 **8. (6) Claimants with packages of documents that need
12 additional backup. (41 claimants, \$939,900)**

13 These claimants submitted an Answer to the Interpleader, (See
14 column entitled "Answer to Interpleader filed") and some
15 provided JV Agreements, but no copies of Cashier's checks.
16 These claimants' funds were not in San Diego.

17 **Unverifiable Funds**

18 **9. (7) Total Claims by Known Aggregators.
19 (19 claimants, \$1,739,759.03)**

20 These claimants are known to be HMS Aggregators, and include
21 Michael McCulloch.

22 **10. (8) Total Cashier's Checks from Unknown Remitters
23 (3 checks, \$150,000)**

24 These cashier's checks were included in the funds seized in San
25 Diego, with no identification or traceability.

26 The summary of findings is as follows:

27 Based on the summary information, there are forty two claimants who
28 provided Answers to the Interpleader along with either Cashier's Checks
and/or Joint Venture Agreements that should be considered for refund of the
total verifiable amount invested (of the funds seized at First National Bank in
San Diego, along with the funds seized at Integrated Payment Systems in
San Diego).

1 There are nine of those who were not directly named as defendants in
 2 the Interpleader, but have directly traceable claims (from the funds seized at
 3 FNB in San Diego and at IPS in San Diego):

| | |
|----|---|
| 4 | |
| 5 | Hinsz, Chad (son of Keith & Jane Hinsz)\$ 5,000-FNB Funds |
| 6 | Hilliard, Terry & Esther 15,000-IPS Funds |
| 7 | Henstridge, Shawn 15,000-FNB Funds |
| 8 | Kovacic, Daralynn 15,500-IPS Funds |
| 9 | L'Arrivee, Dennis 30,000-IPS Funds |
| 10 | Link, Marjorie 5,000-IPS Funds |
| 11 | Polhl, Frazier 5,000-IPS Funds |
| 12 | Scott, Grace 5,000-IPS Funds |

13 Additionally, there are ninety potentially identifiable claimants with
 14 funds seized in San Diego, both through the FNB funds and the IPS funds
 15 who did not file an answer to the Interpleader, but may still have valid
 16 claims for reimbursement.

17 Those claimants that have provided Answers to the Interpleader,
 18 along with JV Agreements and Cashier's checks that were not among the
 19 funds seized at FNB or IPS in San Diego may already be a party to the
 20 class action in process in Alberta, Canada, if they are a resident of Alberta.

21 The plan of recommended distribution of the Interpleaded Funds in
 22 accordance with the Order dated July 30, 2009 is as follows:

- 23 ▪ **Category 1** – (All Defendants-in-Interpleader with directly traceable funds)
 24 **42 - \$809,200.00**
- 25 ▪ **Category 2** – (Excluded from presently participating in the receipt of
 26 Interpleaded Funds are Objectors and all other alleged wrongdoer
 27 defendants in the Canadian Action): **22 - \$1,889,759.03**
- 28 ▪ **Category 3** – (The balance of the Interpleaded Funds, after
 compensating innocent directly traceable fraud victims and the
 payment of administrative expenses, shall be paid to the registry of
 the Canadian Court for distribution in that action.)

1 and that this verification was executed on 20 Apr, 2010 at La Mesa,
2 California.



Richard M Kipperman, Receiver

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EXHIBIT A

HMS - USA v. Bettye Jan Baker Adair
Claimant Status Report

03/31/10

Spreadsheet

| Column | Total Traceable Funds in San Diego | | |
|---|---|-----------|-----------------------|
| (2) a | Total Directly Traceable Funds in San Diego with Interpleader, JV Ag & CC | 20 | \$ 500,000.00 |
| (2) b | Total Directly Traceable Funds in San Diego with Interpleader & CC | 13 | \$ 208,700.00 |
| (4) a | Total IPS Funds with Interpleader Answers, JV Ag & CC | 5 | 80,500.00 |
| (4) b | Total IPS Funds with Interpleader Answers & CC | 4 | 20,000.00 |
| | Total Directly Traceable Claims with Backup | 42 | \$ 809,200.00 |
| Total Traceable Funds in San Diego with No Interpleader Responses | | | |
| (1) | Total Funds in San Diego without Interpleader Answers (CC Only) | 63 | \$1,470,145.00 |
| (3) | Total IPS Funds without Interpleader Answers (CC Only) | 27 | 611,200.00 |
| | Total Traceable Funds in San Diego with No Interpleader Responses | 90 | \$2,081,345.00 |
| Total HMS Investor Claims (from Interpleader Responses, NOT funds seized in San Diego) | | | |
| (5) | Total Claims Submitted from Verified HMS Investors with Interpleader, JV Ag, and CC | 9 | \$ 115,000.00 |
| (6) | Total Claims Submitted from Claimants without Supporting Documentation (JV Agreements may or may not be provided, No copies of Cashier's Checks) | 41 | 939,900.00 |
| | Total Monies Claimed Pending Additional Backup | 50 | \$1,054,900.00 |
| Unverifiable Funds | | | |
| (7) | Total Claims by Known Aggregators (Including Michael McCulloch) | 19 | \$1,739,759.03 |
| (8) | Total Cashier's Checks from Unknown Remitters | 3 | 150,000.00 |
| | Total Unverifiable Funds | 22 | \$1,889,759.03 |

WMS - USA v. Bettye Jean Baker Adair

—

HOLMS - USA v. Bertha Jan Baker Acker

[illegible]

Professors

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EXHIBIT B

Page 1 of 2

CORPORATE MANAGEMENT, INC.

Fees Detail

02/01/2010 through 03/31/2010

United States of America v. Bettye Jan Baker Adair
 United States District Court, Southern District of California Case No. 09cv0254 JM (AJB)

| Staff Name | Category | Date | Description | Hours | Rate | Total |
|--|------------|--|--|-------|---------|------------|
| Teri Ferguson | CASE ADMIN | 02/01/10 | Reconcile report to bank statements | 2.25 | 150.000 | 337.50 |
| | | 02/04/10 | Meeting with RMK re: Canada status, update spreadsheet per RMK's comments, and prepare written report | 3.75 | 150.000 | 562.50 |
| | | 02/05/10 | Update spreadsheet and complete written report. Meet with RMK re: Status; Call with Canadian counsel. | 2.75 | 150.000 | 412.50 |
| | | 03/03/10 | Review and respond to Angel Rhoades Claim; Send response to RMK | 0.50 | 150.000 | 75.00 |
| | | 03/07/10 | Review and respond to Atty for Gordon-Brown email request for three family members; Send response to RMK | 1.00 | 150.000 | 150.00 |
| | | 03/11/10 | Review and respond to Sanders request for claim status | 0.25 | 150.000 | 37.50 |
| | | 03/15/10 | Review letter from McLennan, Prepare comments for RMK in anticipation of meeting | 0.75 | 150.000 | 112.50 |
| | | 03/16/10 | Meet with RMK & Conference call with Atty McLennan & Lynn Sedgwick re: Claimants and definitions of traceable claims | 1.00 | 150.000 | 150.00 |
| | | 03/17/10 | Revise claim spreadsheet per call with McLennan; Send to Sedgwick and RMK | 1.25 | 150.000 | 187.50 |
| | | 03/28/10 | Review and respond to all claims submitted via email and fax to RMK & comments from Sedgwick re: additional aggregators. Update spreadsheet to reflect revisions | 1.75 | 150.000 | 262.50 |
| | | 03/29/10 | Call with L. Sedgwick re: IPS funds, Aggregators and Canadian Class Action Suit members; Revise spreadsheet to reflect updated information. | 2.00 | 150.000 | 300.00 |
| | | 03/30/10 | Meet with RMK re: Revised spreadsheet and updates from Sedgwick | 0.50 | 150.000 | 75.00 |
| | | 03/31/10 | Revise claim spreadsheet per call with RMK | 1.25 | 150.000 | 187.50 |
| | | Subtotal for Staff Name: TERI FERGUSON | | | | \$2,850.00 |
| JOHN STANDLEY | CASE ADMIN | 02/11/10 | Work on Receiver's Interim Report 11/10/09-01/31/10 | 1.80 | 275.000 | 495.00 |
| Subtotal for Staff Name: JOHN STANDLEY | | | | | | \$495.00 |
| RICHARD KIPPERMAN | CASE ADMIN | 02/02/10 | Analyze draft report | 0.50 | 450.000 | 225.00 |
| | | 02/04/10 | Review Analysis of claims. Meet with T. Ferguson | 1.00 | 450.000 | 450.00 |
| | | 02/05/10 | Prepare for call with McLannon and call to review status | 1.20 | 450.000 | 540.00 |
| | | 02/08/10 | Review & respond to email re: Status of fees | 0.20 | 450.000 | 90.00 |
| | | 02/11/10 | Telephone call Janis MacDonald re: Status | 0.20 | 450.000 | 90.00 |

Page 2 of 2

CORPORATE MANAGEMENT, INC.**Fees Detail****02/01/2010 through 03/31/2010**

United States of America v. Bettye Jan Baker Adair

United States District Court, Southern District of California Case No. 09cv0254 JM (AJB)

| Staff Name | Category | Date | Description | Hours | Rate | Total |
|--|------------|--|--|-------|---------|------------|
| RICHARD KIPPERMAN | CASE ADMIN | 02/15/10 | Telephone call Creditor D. Hamell re: Status | 0.20 | 450.000 | 90.000 |
| | | 03/05/10 | Telephone calls investors | 0.30 | 450.000 | 135.000 |
| | | 03/08/10 | Telephone calls investors re: Status | 0.30 | 450.000 | 135.000 |
| | | 03/11/10 | Analyze status | 0.60 | 450.000 | 270.000 |
| | | 03/22/10 | Telephone call Veria Diaz re: Claim | 0.20 | 450.000 | 90.000 |
| | | 03/22/10 | Telephone call Carmen McClua re: Claim | 0.20 | 450.000 | 90.000 |
| | | 03/29/10 | Review Ellison claim & Chamaingh claim | 0.30 | 450.000 | 135.000 |
| | | Subtotal for Staff Name: RICHARD KIPPERMAN | | | 5.20 | |
| Total for Case: 09CV0254JM(AJB) | | | | | | \$5,685.00 |
| Total for Trustee: Richard M Kipperman, Receiver | | | | | | \$5,685.00 |
| Grand Total: | | | | 26.00 | | \$5,685.00 |

CORPORATE MANAGEMENT, INC.
Cost/Expense Detail
02/01/2010 through 03/31/2010

United States of America v. Bettye Jan Baker Adair
United States District Court, Southern District of California Case No. 09cv0254 JM (AJB)

Category: COPIES

| <u>Date</u> | <u>Description</u> | <u>Hours/Unit</u> | <u>Rate</u> | <u>Total</u> |
|-----------------------------------|---------------------------|-------------------|-------------|---------------|
| 03/16/10 | Photocopy/Duplication Exp | 2.00 | \$0.200 | \$0.40 |
| 03/22/10 | Photocopy/Duplication Exp | 3.00 | \$0.200 | \$0.60 |
| 03/23/10 | Photocopy/Duplication Exp | 7.00 | \$0.200 | \$1.40 |
| 03/26/10 | Photocopy/Duplication Exp | 4.00 | \$0.200 | \$0.80 |
| Total for category COPIES: | | 16.00 | | \$3.20 |

Category: TELEPHONE

| <u>Date</u> | <u>Description</u> | <u>Hours/Unit</u> | <u>Rate</u> | <u>Total</u> |
|--------------------------------------|--------------------|-------------------|-------------|---------------|
| 03/24/10 | Outgoing fax pages | 1.00 | \$1.000 | \$1.00 |
| Total for category TELEPHONE: | | 1.00 | | \$1.00 |

Total for case 09CV0254JM(AJB): \$4.20

Grand Total: \$4.20

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**CATEGORY 1 DISBURSEMENT RECIPIENTS: ALL DEFENDANTS-IN-
INTERPLEADER WITH DIRECTLY TRACEABLE FUNDS**

EXHIBIT 2

Declaration of Richard M Kipperman in Support of Motion Re: (1) Approving and Adopting Receiver's Interim Verified Report February 1, 2010 through March 31, 2010; (2) Approving and Adopting Receiver's Recommendations Re Clerk of Court Disbursements to Identified Individuals, and Turn Over Of Balance of Funds to Canada Class Action Matter; (3) Approving and Allowing Receiver's Fees and Costs/Expenses; and, (4) Discharging Receiver.

Category 1 Disbursement Recipients: All Defendants-In-
Interpleader With Directly Traceable Funds

| <u>Name</u> | <u>Base Amount</u> | <u>Pro Rata % Of Accrued Int</u> |
|-----------------------------------|------------------------|--------------------------------------|
| Allen, Willa Mae | 10,000.00 | 0.012357884 |
| Allen, Willa Mae | 5,000.00 | 0.006178942 |
| Beattie, Ivy A. | 5,000.00 | 0.006178942 |
| Burtz, Vernon D & Mary | 5,000.00 | 0.006178942 |
| Diver, Theodore | 10,000.00 | 0.012357884 |
| Findlay, Don | 12,000.00 | 0.014829461 |
| Fletcher, Mark & Misty | 14,700.00 | 0.01816609 |
| Fontaine Joanne & Roland | 15,000.00 | 0.018536826 |
| Funk, Harry & Dorothy | 20,000.00 | 0.024715769 |
| Giesbrecht, Gerald & Pamela | 5,000.00 | 0.006178942 |
| Gordon-Brown, Carolyn | 50,000.00 | 0.061789422 |
| Gordon-Brown, Carolyn | 50,000.00 | 0.061789422 |
| Gordon-Brown, Carolyn | 5,000.00 | 0.006178942 |
| Haight, Ron & Carol | 10,000.00 | 0.012357884 |
| Hamrell, Deborah & Grent | 10,000.00 | 0.012357884 |
| Hamrell, Deborah & Grent | 15,000.00 | 0.018536826 |
| Harms, Jake & Kathy | 45,000.00 | 0.055610479 |
| Henstridge, Shawn & Brenda | 15,000.00 | 0.018536826 |
| Hilliard, Terry & Ester | 5,000.00 | 0.006178942 |
| Hilliard, Terry & Ester | 5,000.00 | 0.006178942 |
| Hilliard, Terry & Ester | 5,000.00 | 0.006178942 |
| Hinsz, Chad | 5,000.00 | 0.006178942 |
| Hinsz, Keith & Jane | 40,000.00 | 0.049431537 |
| Kloss, Kendall & Kari | 15,000.00 | 0.018536826 |
| Kovacic, Daralynne | 15,500.00 | 0.019154721 |
| L'Arrivee, Dennis & Valerie | 30,000.00 | 0.037073653 |
| Lighthouse Pentecostal Church | 5,000.00 | 0.006178942 |
| Lighthouse Pentecostal Church | 5,000.00 | 0.006178942 |
| Link, H. Marjorie | 5,000.00 | 0.006178942 |
| McCaw, Christina & Reginald | 5,000.00 | 0.006178942 |
| McCaw, Christina & Reginald | 5,000.00 | 0.006178942 |
| Miller, Walter & Doris | 5,000.00 | 0.006178942 |
| Murley, Barbara | 5,000.00 | 0.006178942 |
| Nehring, Robert | 10,000.00 | 0.012357884 |
| Nehring, Robert | 15,000.00 | 0.018536826 |
| Paras, Anita & Thomas Edward | 20,000.00 | 0.024715769 |
| Pirker, Deborah | 5,000.00 | 0.006178942 |
| Pohl, Frazier | 5,000.00 | 0.006178942 |
| Rimmer, Robert & Joanne | 50,000.00 | 0.061789422 |
| Rowat, Darren & Wanda | 7,000.00 | 0.008650519 |
| Sampert, Raymond L. & Margaret M. | 50,000.00 | 0.061789422 |
| Sanders, F. Rhett & Virginia | 70,000.00 | 0.08650519 |
| Schweitzer, Craig & Lisa | 5,000.00 | 0.006178942 |
| Scott, Grace | 5,000.00 | 0.006178942 |
| Shaw, Paul & Elise | 10,000.00 | 0.012357884 |
| Stott, George & Mary | 25,000.00 | 0.030894711 |
| Stott, George & Mary | 40,000.00 | 0.049431537 |
| Taylor, Keith T. & Kari L. | 10,000.00 | 0.012357884 |
| Willock, Dan & Catherine | 5,000.00 | 0.006178942 |
| Willock, Dan & Catherine | 10,000.00 | 0.012357884 |
| Wories, Steven & Alexandria | 10,000.00 | 0.012357884 |

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RECEIVER'S FEE AND COSTS/EXPENSE DETAIL

EXHIBIT 3

Declaration of Richard M Kipperman in Support of Motion Re: (1) Approving and Adopting Receiver's Interim Verified Report February 1, 2010 through March 31, 2010; (2) Approving and Adopting Receiver's Recommendations Re Clerk of Court Disbursements to Identified Individuals, and Turn Over Of Balance of Funds to Canada Class Action Matter; (3) Approving and Allowing Receiver's Fees and Costs/Expenses; and, (4) Discharging Receiver.

Timesheet Report

Richard M Kipperman, Receiver (007901)

Period: 09/30/09 - 06/08/10

Case No: 09CV0254JM(AJB)
Case Type: Receivership

Case Name: HMS-USA v. Baker Adair et al

Open Date: 09/30/09

| Staff Name | Category | Date | Description | Hours | Rate | Total |
|---------------|------------|----------|--|-------|---------|--------|
| Teri Ferguson | CASE ADMIN | 11/23/09 | Meet with RMK re: HMS case | 0.70 | 150.000 | 105.00 |
| | | 11/30/09 | Review documents, coordinate with spreadsheets | 3.00 | 150.000 | 450.00 |
| | | 12/06/09 | Prepare summary spreadsheet to include all answers to interpleader received. | 2.00 | 150.000 | 300.00 |
| | | 12/07/09 | Prepare summary spreadsheet to include all answers to interpleader received. | 2.75 | 150.000 | 412.50 |
| | | 12/13/09 | Prepare summary spreadsheet to include all answers to interpleader received | 3.75 | 150.000 | 562.50 |
| | | 12/14/09 | Summary of findings, questions, and memo to RMK | 0.50 | 150.000 | 75.00 |
| | | 01/30/10 | Review documents received from Canadian police | 1.00 | 150.000 | 150.00 |
| | | 01/31/10 | Reconcile summary spreadsheet to all reports received. | 4.50 | 150.000 | 675.00 |
| | | 02/01/10 | Reconcile report to bank statements | 2.25 | 150.000 | 337.50 |
| | | 02/04/10 | Meeting with RMK re: Canada status, update spreadsheet per RMK's comments, and prepare written report | 3.75 | 150.000 | 562.50 |
| | | 02/05/10 | Update spreadsheet and complete written report. Meet with RMK re: Status; Call with Canadian counsel. | 2.75 | 150.000 | 412.50 |
| | | 03/03/10 | Review and respond to Angel Rhoades Claim; Send response to RMK | 0.50 | 150.000 | 75.00 |
| | | 03/07/10 | Review and respond to Atty for Gordon-Brown email request for three family members; Send response to RMK | 1.00 | 150.000 | 150.00 |
| | | 03/11/10 | Review and respond to Sanders request for claim status | 0.25 | 150.000 | 37.50 |
| | | 03/15/10 | Review letter from McLennan, Prepare comments for RMK in anticipation of meeting | 0.75 | 150.000 | 112.50 |
| | | 03/16/10 | Meet with RMK & Conference call with Atty McLennan & Lynn Sedgwick re: Claimants and definitions of traceable claims | 1.00 | 150.000 | 150.00 |
| | | 03/17/10 | Revise claim spreadsheet per call with McLennan; Send to Sedgwick and RMK | 1.25 | 150.000 | 187.50 |
| | | 03/28/10 | Review and respond to all claims submitted via email and fax to RMK & comments from Sedgwick re: additional aggregators. Update spreadsheet to reflect revisions | 1.75 | 150.000 | 262.50 |
| | | 03/29/10 | Call with L. Sedgwick re: IPS funds, Aggregators and Canadian Class Action Suit members; Revise spreadsheet to reflect updated information. | 2.00 | 150.000 | 300.00 |
| | | 03/30/10 | Meet with RMK re: Revised spreadsheet and updates from Sedgwick | 0.50 | 150.000 | 75.00 |
| | | 03/31/10 | Revise claim spreadsheet per call with RMK | 1.25 | 150.000 | 187.50 |
| | | 04/01/10 | Revise Summary per email of latest information from L. Sedgwick. | 5.75 | 150.000 | 862.50 |
| | | 04/02/10 | Correspondence from L. Sedgwick re: Additional revisions fro traceable claimants. Conference with atty Perrin re: Claim from client Angel Rhoades. | 3.00 | 150.000 | 450.00 |

Timesheet Report

Richard M Kipperman, Receiver (007901)

Period: 09/30/09 - 06/08/10

Case No: 09CV0254JM(AJB)

Case Name: HMS-USA v. Baker Adair et al

Open Date: 09/30/09

Case Type: Receivership

| Staff Name | Category | Date | Description | Hours | Rate | Total |
|--|------------|--|--|-------|---------|------------|
| Teri Ferguson | CASE ADMIN | 04/06/10 | Prepare copy package of verifiable backup and send to L. Sedgwick. | 1.50 | 150.000 | 225.00 |
| | | 04/07/10 | Meet with RMK re: Status of calimants, information from L. Sedgwick, revisions to report summary. | 1.00 | 150.000 | 150.00 |
| | | 04/09/10 | Analyze HMS order and prepare recommendations per order | 1.00 | 150.000 | 150.00 |
| | | 04/10/10 | Revise report; Prepare response to Atty. Perrin for Angel Rhoades; Call with L. Sedgwick, prepare responses to Ellison Mykula. | 3.00 | 150.000 | 450.00 |
| | | 04/20/10 | Meet with RMK re: Recommendations, Prepare HMS report | 2.00 | 150.000 | 300.00 |
| | | 05/17/10 | Call with L. Sedgwick re: Post report actions and timelines, correspondence to RMK re: Same | 0.25 | 150.000 | 37.50 |
| | | 05/18/10 | Meet with RMK re: Status of Case and motion | 0.50 | 150.000 | 75.00 |
| | | 05/20/10 | Call with L. Sedgwick re: Motion to be filed | 0.25 | 150.000 | 37.50 |
| Subtotal for Staff Name: TERI FERGUSON | | | | 55.45 | | \$8,317.50 |
| JOEL EWAN | CASE ADMIN | 10/16/09 | Meet with FBI for Data exchange. | 1.00 | 195.000 | 195.00 |
| Subtotal for Staff Name: JOEL EWAN | | | | 1.00 | | \$195.00 |
| JOHN STANDLEY | CASE ADMIN | 10/30/09 | Prepare Receiver's Initial Report | 1.00 | 275.000 | 275.00 |
| | | 02/11/10 | Work on Receiver's Interim Report 11/1/09-01/31/10 | 1.80 | 275.000 | 495.00 |
| | | 05/19/10 | Work on Motion Re Adoption of Receiver's Report and Recommendations. Work on Declaration of RMK in support. | 4.50 | 275.000 | 1,237.50 |
| | | 05/20/10 | Further work on RMK Declaration in Support of Motion | 1.50 | 275.000 | 412.50 |
| | | 06/08/10 | Prepare Memorandum of Points and Authorities in Support of Motion | 2.50 | 275.000 | 687.50 |
| | | Subtotal for Staff Name: JOHN STANDLEY | | | | 11.30 |
| RICHARD KIPPERMAN | CASE ADMIN | 10/01/09 | Telephone call Marilyn Pen re: Claim | 0.20 | 450.000 | 90.00 |
| | | 10/01/09 | Telephone call Graham McLennan re: Receivership appointment | 0.20 | 450.000 | 90.00 |
| | | 10/02/09 | Review court orders | 0.50 | 450.000 | 225.00 |
| | | 10/05/09 | Review & respond to emails to 2 creditors | 0.20 | 450.000 | 90.00 |
| | | 10/16/09 | To FBI to meet with Ireland & Rich for background | 1.50 | 450.000 | 675.00 |
| | | 10/19/09 | Review & respond to investors and to L. Bussel and FBI re: Documents | 0.40 | 450.000 | 180.00 |
| | | 10/24/09 | Review IRS documents | 1.20 | 450.000 | 540.00 |
| | | | | | | |

Timesheet Report

Richard M Kipperman, Receiver (007901)

Period: 09/30/09 - 06/08/10

Case No: 09CV0254JM(AJB)

Case Name: HMS-USA v. Baker Adair et al

Open Date: 09/30/09

Case Type: Receivership

| Staff Name | Category | Date | Description | Hours | Rate | Total |
|-------------------|------------|----------|---|-------|---------|--------|
| RICHARD KIPPERMAN | CASE ADMIN | 10/26/09 | Review file | 0.70 | 450.000 | 315.00 |
| | | 10/27/09 | Review & respond to email D. Glydon re: Documents in Canada | 0.50 | 450.000 | 225.00 |
| | | 10/27/09 | Telephone call L. Bussell and T. McCnammara re: Info | 0.30 | 450.000 | 135.00 |
| | | 10/28/09 | Telephone call S. Mulligan Prosecutor Canada re: Getting data | 0.20 | 450.000 | 90.00 |
| | | 10/28/09 | Telephone call G. MCClannahan re: Canada List | 0.20 | 450.000 | 90.00 |
| | | 10/31/09 | Review documents & draft 30 day report | 0.50 | 450.000 | 225.00 |
| | | 11/23/09 | Meeting set up investigation for report | 0.90 | 450.000 | 405.00 |
| | | 11/24/09 | Telephone call MacDonald, Tann re: her claim | 0.20 | 450.000 | 90.00 |
| | | 11/30/09 | Review & respond misc. emails | 0.30 | 450.000 | 135.00 |
| | | 12/15/09 | Telephone call T. Ferguson re: Status of Document search. | 0.20 | 450.000 | 90.00 |
| | | 12/30/09 | Follow up S. Mulligan re: Canadian Gov't documents | 0.20 | 450.000 | 90.00 |
| | | 01/07/10 | Telephone call D. Glydon re: Gov't documents | 0.20 | 450.000 | 90.00 |
| | | 01/17/10 | Review & respond to creditor | 0.20 | 450.000 | 90.00 |
| | | 01/19/10 | Review & respond to email D. Glydon re: documents | 0.20 | 450.000 | 90.00 |
| | | 01/27/10 | Meet with T. Ferguson re: Canadian Documents | 0.30 | 450.000 | 135.00 |
| | | 02/02/10 | Analyze draft report | 0.50 | 450.000 | 225.00 |
| | | 02/04/10 | Review Analysis of claims. Meet with T. Ferguson | 1.00 | 450.000 | 450.00 |
| | | 02/05/10 | Prepare for call with McLannon and call to review status | 1.20 | 450.000 | 540.00 |
| | | 02/08/10 | Review & respond to email re: Status of fees | 0.20 | 450.000 | 90.00 |
| | | 02/11/10 | Telephone call Janis MacDonald re: Status | 0.20 | 450.000 | 90.00 |
| | | 02/15/10 | Telephone call Creditor D. Hamell re: Status | 0.30 | 450.000 | 135.00 |
| | | 03/05/10 | Telephone calls investors | 0.30 | 450.000 | 135.00 |
| | | 03/08/10 | Telephone calls investors re: Status | 0.60 | 450.000 | 270.00 |
| | | 03/11/10 | Analyze status | 0.20 | 450.000 | 90.00 |
| | | 03/22/10 | Telephone call Veria Diaz re: Claim | 0.20 | 450.000 | 90.00 |
| | | 03/22/10 | Telephone call Carmen McClua re: Claim | 0.30 | 450.000 | 135.00 |
| | | 03/29/10 | Review Ellison claim & Chamaingh claim | 0.70 | 450.000 | 315.00 |
| | | 04/07/10 | Analyze info for report to court | 0.10 | 450.000 | 45.00 |
| | | 04/08/10 | Telephone call Creditor inquiry status | 0.20 | 450.000 | 90.00 |
| | | 04/08/10 | Telephone call Attorney Dorkin re: Report status | 0.20 | 450.000 | 90.00 |
| | | 04/09/10 | Telephone call Rudy Leachman re: Claim | 0.20 | 450.000 | 90.00 |

Timesheet Report

Richard M Kipperman, Receiver (007901)

Period: 09/30/09 - 06/08/10

Case No: 09CV0254JM(AJB)

Case Name: HMS-USA v. Baker Adair et al

Open Date: 09/30/09

Case Type: Receivership

| Staff Name | Category | Date | Description | Hours | Rate | Total |
|-------------------|------------|----------|------------------------------|-------|---------|--------|
| RICHARD KIPPERMAN | CASE ADMIN | 04/20/10 | Review file and draft report | 1.10 | 450.000 | 495.00 |

Subtotal for Staff Name: RICHARD KIPPERMAN

\$7,560.00

Total for Case: 09CV0254JM(AJB)

\$19,180.00

Total for Trustee: Richard M Kipperman, Receiver

\$19,180.00

Grand Total: \$19,180.00

Itemized Expenses

Period: 09/30/09 - 06/08/10

Richard M Kipperman, Receiver (007901)

Case Number: 09CV0254JM(AJB)**Case Name:** HMS-USA v. Baker Adair et al**Case Type:** Receivership**Open Date:** 09/30/09**Category: COPIES**

| <u>Date</u> | <u>Description</u> | <u>Hours/Unit</u> | <u>Rate</u> | <u>Total</u> |
|-----------------------------------|--|-------------------|-------------|----------------|
| 10/15/09 | Photocopy/Duplication Exp | 5.00 | \$0.200 | \$1.00 |
| 10/26/09 | Photocopy/Duplication Exp | 7.00 | \$0.200 | \$1.40 |
| 11/20/09 | Photocopy/Duplication Exp | 10.00 | \$0.200 | \$2.00 |
| 03/16/10 | Photocopy/Duplication Exp | 2.00 | \$0.200 | \$0.40 |
| 03/22/10 | Photocopy/Duplication Exp | 3.00 | \$0.200 | \$0.60 |
| 03/23/10 | Photocopy/Duplication Exp | 7.00 | \$0.200 | \$1.40 |
| 03/26/10 | Photocopy/Duplication Exp | 4.00 | \$0.200 | \$0.80 |
| 04/06/10 | Receiver's Reports: Initial and Interim | 64.00 | \$0.200 | \$12.80 |
| 04/22/10 | Receiver's Report Feb 1, 2010 through Mar 31, 2010 | 95.00 | \$0.200 | \$19.00 |
| Total for category COPIES: | | 197.00 | | \$39.40 |

Category: POSTAGE

| <u>Date</u> | <u>Description</u> | <u>Hours/Unit</u> | <u>Rate</u> | <u>Total</u> |
|------------------------------------|--|-------------------|-------------|----------------|
| 04/06/10 | Receiver's Report: Initial and Interim | 3.00 | \$1.390 | \$4.17 |
| 04/06/10 | Receiver's Report: Initial and Interim | 1.00 | \$1.810 | \$1.81 |
| 04/22/10 | Receiver's Report Feb 1, 2010 through March 31, 2010 | 5.00 | \$1.390 | \$6.95 |
| Total for category POSTAGE: | | 9.00 | | \$12.93 |

Category: TELEPHONE

| <u>Date</u> | <u>Description</u> | <u>Hours/Unit</u> | <u>Rate</u> | <u>Total</u> |
|--------------------------------------|--------------------|-------------------|-------------|---------------|
| 03/24/10 | Outgoing fax pages | 1.00 | \$1.000 | \$1.00 |
| Total for category TELEPHONE: | | 1.00 | | \$1.00 |

Category: TRAVEL

| <u>Date</u> | <u>Description</u> | <u>Hours/Unit</u> | <u>Rate</u> | <u>Total</u> |
|-----------------------------------|--------------------|-------------------|-------------|----------------|
| 10/16/09 | Mileage | 20.00 | \$0.505 | \$10.10 |
| Total for category TRAVEL: | | 20.00 | | \$10.10 |

Total for case 09CV0254JM(AJB): \$63.43**Grand Total: \$63.43**